

AMENDED IN SENATE MARCH 14, 2007

SENATE BILL

No. 190

Introduced by Senator Yee

(Principal coauthors: Senators Maldonado and Romero)

(Coauthor: Senator Ashburn)

(Coauthors: Assembly Members DeVore, Jeffries, Maze, and Mendoza)

February 7, 2007

An act to amend Sections 92020 and 92032 of, and to add Sections 66602.5 and 66602.7 to, the Education Code, relating to public postsecondary education.

LEGISLATIVE COUNSEL'S DIGEST

SB 190, as amended, Yee. Public postsecondary education: California State University: University of California: ~~discussion of executive compensation~~; *open meetings*.

(1) Existing law establishes the Trustees of the California State University, and provides for the administration of the university by that body. Under existing law, the membership of the trustees includes 16 members appointed by the Governor and 5 ex officio members, who are the Governor, the Lieutenant Governor, the Superintendent of Public Instruction, the Speaker of the Assembly, and the person named by the trustees to serve as the Chancellor of the California State University.

Existing law, the Bagley-Keene Act, generally requires, with specified exceptions for authorized closed sessions, that the meetings of state bodies be open and public and that all persons be permitted to attend. The Bagley-Keene Act also generally requires that the agenda for meetings provide an opportunity for members of the public to directly address the body of any item of interest to the public that is within the subject matter jurisdiction of the body. Each member of a state body

who attends a meeting of that body in violation of any provision of the Bagley-Keene Act, and where the member intends to deprive the public of information to which the member knows or has reason to know the public is entitled under the act, is guilty of a misdemeanor.

This bill would ~~require~~ *make* all meetings of the trustees ~~to be~~ subject to the Bagley-Keene Act, except as provided in the bill. By extending the provisions of the Bagley-Keene Act to cover the meetings of the trustees, the bill would constitute a state-mandated local program by creating a new crime.

The bill would generally authorize the trustees, ~~as defined;~~ to mean the board of trustees and its standing and special committees or subcommittees and advisory groups, *study groups, or task forces created by specified entities* that include one or more trustees, other than ex officio members of the trustees, as members and that have continuing subject matter jurisdiction ~~in the areas of compensation, benefits, pensions, or working conditions;~~ or that have a regular meeting schedule, other than groups of 3 or fewer trustees appointed to advise and assist the university administration in contract negotiations *and advisory groups whose purpose is to recruit executives for the university,* to conduct closed sessions when they meet to consider or discuss specified matters, including matters concerning the appointment, employment, performance, compensation, or dismissal of certain university officers or employees.

The bill would also ~~require discussion of, and action taken on;~~ an executive compensation proposal concerning the Chancellor of the California State University, the president of an individual campus, specified vice chancellors, the treasurer, the assistant treasurer, the general counsel, or the trustees' secretary to occur ~~in an open session of the appropriate committee of the trustees, and would require any final discussion or action on that proposal to take place in an open session of the full board of trustees.~~

(2) Existing law establishes the Regents of the University of California, and provides for the administration of the university by that body. Under existing law, the membership of the regents includes 18 members appointed by the Governor and 7 ex officio members, who are the Governor, the Lieutenant Governor, the Speaker of the Assembly, the Superintendent of Public Instruction, the president and vice president of the alumni association of the university, and the acting president of the university. Under existing law, meetings of the regents are subject

to the Bagley-Keene Act, except as otherwise prescribed in provisions specifically applicable to the regents.

Existing law generally authorizes the regents, as defined, to mean the board of regents and its standing and special committees or subcommittees, other than groups of 3 or fewer regents appointed to advise and assist the university administration in contract negotiations, to conduct closed sessions when they meet to consider or discuss specified matters, including matters concerning the appointment, employment, performance, compensation, or dismissal of certain university officers or employees. Existing law requires action by the regents on compensation proposals for the principal officers of the regents and the officers of the university, as defined, to be in open session.

This bill would provide that the definition of the regents for these purposes would include advisory groups, *study groups*, or *task forces created by specified entities* that include one or more regents, other than the ex officio members of the regents, as members and that have continuing subject matter jurisdiction ~~in the areas of compensation, benefits, pensions, or working conditions~~, or that have a regular meeting schedule, except as specified. The bill would also require ~~discussion of, and action taken on~~; an executive compensation proposal concerning the President of the University of California, the chancellor of an individual campus, specified vice presidents, the treasurer, the assistant treasurer, the general counsel, or the secretary to occur in ~~an open session of the appropriate committee of the regents, and would require any final discussion or action on that proposal to take place in an open session of the full board of regents.~~

~~The bill would express findings and declarations of the Legislature to the effect that this bill sets forth the policies with respect to the discussion of compensation of executive officers of the university that have applied to, and governed, all regents meetings held since 1993.~~

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 66602.5 is added to the Education Code, to read:

66602.5. (a) All meetings of the trustees shall, except as otherwise provided in this section or in Section 66602.7, be subject to Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code.

(b) As used in this ~~article~~ chapter, “trustees” means any of the following:

(1) The Board of Trustees of the California State University.

(2) The standing and special committees or subcommittees of the trustees.

~~(3) Advisory groups that include one or more trustees, other than the ex officio members of the trustees, as members and that have continuing subject matter jurisdiction in the areas of compensation, benefits, pensions, or working conditions, or that have a regular meeting schedule., study groups, or task forces that advise the Board of Trustees or the office of the Chancellor of the California State University, that include one or more trustees, other than ex officio members of the trustees, as members, that have continuing subject matter jurisdiction or have a regular meeting schedule, and that are created by the Board of Trustees or an individual trustee, one of its standing committees, special committees, or subcommittees, or the office of the Chancellor of the California State University. Advisory groups whose purpose is to recruit executives for the university are excluded from this paragraph.~~

(c) As used in this ~~article~~ chapter, “trustees” does not include groups of three or fewer trustees appointed to advise and assist the university administration in contract negotiations.

SEC. 2. Section 66602.7 is added to the Education Code, to read:

66602.7. Notwithstanding Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code:

(a) The trustees, as occasioned by necessity, may hold special meetings. The trustees shall give public notice for these meetings. This notice shall be given by means of a notice hand delivered or mailed to each newspaper of general circulation and television or

1 radio station that has requested notice in writing, so that the notice
2 may be published or broadcast at least 72 hours before the time of
3 the meeting. The notice shall specify the time, place, and agenda
4 of the special meeting. The trustees shall not consider any business
5 not included in the agenda portion of the notice. Failure to comply
6 with this subdivision shall not be excused by the fact that no action
7 was taken at the special meeting.

8 (b) The trustees may conduct closed sessions when they meet
9 to consider or discuss any of the following matters:

10 (1) Matters affecting national security.

11 (2) The conferring of honorary degrees or other honors or
12 commemorations.

13 (3) Matters involving gifts, devises, and bequests.

14 (4) Matters involving the purchase or sale of investments for
15 endowment and pension funds.

16 (5) Matters involving litigation, when discussion in open session
17 concerning those matters would adversely affect, or be detrimental
18 to, the public interest.

19 (6) The acquisition or disposition of property, if discussion of
20 these matters in open session could adversely affect the regents'
21 ability to acquire or dispose of the property on the terms and
22 conditions they deem to be in the best public interest.

23 (7) (A) Matters concerning the appointment, employment,
24 performance, compensation, or dismissal of university officers or
25 employees, excluding individual trustees other than the chancellor
26 of the university.

27 ~~(B) Discussion of, and action on, an executive compensation~~
28 ~~proposal concerning any of the following shall occur in an open~~
29 ~~session of the appropriate committee of the trustees, and any final~~
30 ~~discussion of, or action on, that proposal shall occur in an open~~
31 ~~session of the full board of trustees:~~

32 *(B) Action taken by a committee of the trustees and final action*
33 *by the full board of trustees on a proposal for the compensation*
34 *package of the following executive officers shall occur in an open*
35 *session of each of those bodies, and shall include a disclosure of*
36 *the compensation package and rationale for the action:*

37 (i) The Chancellor of the California State University.

38 (ii) The president of an individual campus.

39 (iii) A vice chancellor of academic affairs, administration,
40 agriculture, budget, business affairs, health, or human resources.

1 (iv) The treasurer or the assistant treasurer.

2 (v) The general counsel.

3 (vi) The trustees' secretary.

4 *Members of the public shall be afforded the opportunity to*
5 *address the committee and full board on the proposal during or*
6 *before consideration of the action item.*

7 *(C) Discussion by a committee of the trustees of, and action on,*
8 *executive compensation programs or policies and any final action*
9 *by the full board of trustees on that program or policy shall occur*
10 *in open session of each of those bodies.*

11 ~~(C)~~

12 (D) Compensation for the principal officers of the trustees and
13 the officers of the university shall include salary, benefits,
14 perquisites, severance payments (except those made in connection
15 with a dismissal or a litigation settlement), retirement benefits, or
16 any other form of compensation.

17 (8) Matters relating to complaints or charges brought against
18 university officers or employees, excluding individual trustees
19 other than the chancellor of the university, unless the officer or
20 employee requests a public hearing.

21 (c) While a witness is being examined during any open or closed
22 session, any or all other witnesses in the investigation may be
23 excluded from the proceedings by the trustees.

24 (d) The nominating committee of the trustees may conduct
25 closed sessions held for the purpose of proposing officers of the
26 board and members of the board's various committees.

27 (e) The trustees shall not be required to give public notice of
28 meetings of special search or selection committees held for the
29 purpose of conducting interviews for university officer positions.

30 SEC. 3. Section 92020 of the Education Code is amended to
31 read:

32 92020. (a) As used in this article, "Regents of the University
33 of California" means any of the following:

34 (1) The Board of Regents of the University of California.

35 (2) The standing and special committees or subcommittees of
36 the Board of Regents.

37 ~~(3) Advisory groups that include one or more regents, other~~
38 ~~than the ex-officio members of the regents, as members and that~~
39 ~~have continuing subject matter jurisdiction in the areas of~~
40 ~~compensation, benefits, pensions, or working conditions, or that~~

1 ~~have a regular meeting schedule~~, study groups, or task forces that
2 advise the Board of Regents or the office of the President of the
3 University of California, that include one or more regents, other
4 than ex officio members of the regents, as members, that have
5 continuing subject matter jurisdiction or have a regular meeting
6 schedule, and that are created by the Board of Regents or an
7 individual regent, one of its standing committees, special
8 committees, or subcommittees, or the office of the President of the
9 University of California. Advisory groups whose purpose is to
10 recruit executives for the university are excluded from this
11 paragraph.

12 (b) As used in this article, “Regents of the University of
13 California” does not include groups of three or fewer regents
14 appointed to advise and assist the university administration in
15 contract negotiations.

16 SEC. 4. Section 92032 of the Education Code is amended to
17 read:

18 92032. Notwithstanding Article 9 (commencing with Section
19 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the
20 Government Code:

21 (a) The Regents of the University of California, as occasioned
22 by necessity, may hold special meetings. The regents shall give
23 public notice for these meetings. This notice shall be given by
24 means of a notice hand delivered or mailed to each newspaper of
25 general circulation and television or radio station that has requested
26 notice in writing, so that the notice may be published or broadcast
27 at least 72 hours before the time of the meeting. The notice shall
28 specify the time, place, and agenda of the special meeting. The
29 regents shall not consider any business not included in the agenda
30 portion of the notice. Failure to comply with this subdivision shall
31 not be excused by the fact that no action was taken at the special
32 meeting.

33 (b) The Regents of the University of California may conduct
34 closed sessions when they meet to consider or discuss any of the
35 following matters:

- 36 (1) Matters affecting national security.
37 (2) The conferring of honorary degrees or other honors or
38 commemorations.
39 (3) Matters involving gifts, devises, and bequests.

1 (4) Matters involving the purchase or sale of investments for
2 endowment and pension funds.

3 (5) Matters involving litigation, when discussion in open session
4 concerning those matters would adversely affect, or be detrimental
5 to, the public interest.

6 (6) The acquisition or disposition of property, if discussion of
7 these matters in open session could adversely affect the regents'
8 ability to acquire or dispose of the property on the terms and
9 conditions they deem to be in the best public interest.

10 (7) (A) Matters concerning the appointment, employment,
11 performance, compensation, or dismissal of university officers or
12 employees, excluding individual regents other than the president
13 of the university.

14 ~~(B) Discussion of, and action on, an executive compensation~~
15 ~~proposal concerning any of the following shall occur in an open~~
16 ~~session of the appropriate committee of the regents, and any final~~
17 ~~discussion of, or action on, that proposal shall occur in an open~~
18 ~~session of the full board of regents:~~

19 *(B) Action taken by a committee of the regents and final action*
20 *by the full board of regents on a proposal for the compensation*
21 *package of the following executive officers shall occur in an open*
22 *session of each of those bodies, and shall include a disclosure of*
23 *the compensation package and rationale for the action:*

- 24 (i) The President of the University of California.
25 (ii) The chancellor of an individual campus.
26 (iii) A vice president of academic affairs, administration,
27 agriculture, budget, business affairs, health, or human resources.
28 (iv) The treasurer or the assistant treasurer.
29 (v) The general counsel.
30 (vi) The regents' secretary.

31 *Members of the public shall be afforded the opportunity to*
32 *address the committee and full board on the proposal during or*
33 *before consideration of the action item.*

34 *(C) Discussion by a committee of the regents of, and action on,*
35 *executive compensation programs or policies and any final action*
36 *by the full board of regents on that program or policy shall occur*
37 *in open session of each of those bodies.*

38 ~~(e)~~

39 (D) Compensation for the principal officers of the regents and
40 the officers of the university shall include salary, benefits,

1 perquisites, severance payments (except those made in connection
2 with a dismissal or a litigation settlement), retirement benefits, or
3 any other form of compensation.

4 (8) Matters relating to complaints or charges brought against
5 university officers or employees, excluding individual regents
6 other than the president of the university, unless the officer or
7 employee requests a public hearing.

8 (c) While a witness is being examined during any open or closed
9 session, any or all other witnesses in the investigation may be
10 excluded from the proceedings by the regents.

11 (d) Committees of the regents may conduct closed sessions on
12 Medi-Cal contract negotiations.

13 (e) The nominating committee of the regents may conduct closed
14 sessions held for the purpose of proposing officers of the board
15 and members of the board's various committees.

16 (f) Committees of the regents may conduct closed sessions held
17 for the purpose of proposing a student regent.

18 (g) The regents shall not be required to give public notice of
19 meetings of special search or selection committees held for the
20 purpose of conducting interviews for university officer positions.

21 ~~SEC. 5. (a) The Legislature finds and declares all of the~~
22 ~~following:~~

23 ~~(1) On February 22, 2006, the Chairperson of the Regents of~~
24 ~~the University of California testified before the Senate Committee~~
25 ~~on Education.~~

26 ~~(2) At the February 22, 2006, hearing referenced in paragraph~~
27 ~~(1), the chairperson of the regents testified that "all discussions of~~
28 ~~and actions on executive compensation programs occur in open~~
29 ~~session of the appropriate committee [of the regents], with final~~
30 ~~action occurring in open session of the full board."~~

31 ~~(3) At the February 22, 2006, hearing referenced in paragraph~~
32 ~~(1), the chairperson of the regents further testified that the regents~~
33 ~~had adhered to the policy set forth in paragraph (2) since 1993.~~

34 ~~(b) It is the intent of the Legislature, in enacting the amendment~~
35 ~~to Section 92032 of the Education Code made by Section 4 of this~~
36 ~~act, to clarify existing law by conforming Section 92032 of the~~
37 ~~Education Code to the practices of the regents with respect to the~~
38 ~~discussion of compensation of university executives at meetings~~
39 ~~of the regents, as expressed by the chairperson of the regents at~~

1 the February 22, 2006, hearing, and as set forth in paragraph (2)
2 of subdivision (a).

3 (e) Therefore, the Legislature finds and declares that paragraph
4 (7) of subdivision (b) of Section 92032 of the Education Code, as
5 amended by Section 4 of this act, sets forth the policies with respect
6 to the discussion of compensation of executive officers of the
7 university that have applied to, and governed, all regents meetings
8 held since 1993.

9 **SEC. 6.**

10 *SEC. 5.* No reimbursement is required by this act pursuant to
11 Section 6 of Article XIII B of the California Constitution because
12 the only costs that may be incurred by a local agency or school
13 district will be incurred because this act creates a new crime or
14 infraction, eliminates a crime or infraction, or changes the penalty
15 for a crime or infraction, within the meaning of Section 17556 of
16 the Government Code, or changes the definition of a crime within
17 the meaning of Section 6 of Article XIII B of the California
18 Constitution.